



# Starting a Chemical Leasing Pilot Project in Sri Lanka

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# Demonstration Projects in Chemical Leasing

- First Group of Countries
  - Egypt
  - Mexico
  - Russia
- Second Group of Countries
  - Colombia
  - Serbia
  - Morocco
  - Sri Lanka



# Initial Awareness Seminars

- Chemical Leasing was introduced as an effective strategy for Sound chemicals Management during a seminar in 2007
- A presentation was made by Ms Petra Schwager during the National Roundtable held in November 2007 at BMICH
- An awareness seminar was held on May 15, 2008



# Progress to date

- Many companies showed interest to participate in the Ch L pilot project
- Companies belonging to different sectors from agriculture, printing, metal finishing to textile are among the first group of companies ready to participate in the pilot project



# Progress Todate

- Key personnel in companies willing to participate in the pilot project met
- Preliminary discussions held
- Some companies were visited
- Relevant suppliers also were met





# NCPC Objectives in the ChLeasing Pilot Project



- Introduce Chemical Leasing to Sri Lankan companies as a novel effective strategy to better chemicals management
- Testing of different models of Chemical Leasing
- Apply Chemical Leasing to tested sectors and also in new sectors
- Develop Chemical Leasing Expertise among Sri Lankan Professionals

# Next steps

- After this seminar confirmed interest is expected from willing companies to participate in the pilot project
- A letter of intent will be then signed by the companies to participate in the first phase of the pilot project
- NCPC will provide the services during phase one free of charge



# Phases of Chemical Leasing Pilot Project (rough timelines)

- Phase 1: Initial Preparation(3 to 4 months)

**Letter of intent**

- Phase 2: Application of Chemical Leasing on trial basis (6 to 9 months)

**Cooperation agreement**

- Phase 3: Enter into a

**Full Chemical Leasing contract**

(After one year)

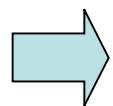




# Phase 1



Identification of appropriate chemicals, processes and partners for the implementation of Chemical Leasing.



**Benefits for the involved parties are identified.**

**Decision will be taken about progress towards Phase 2 on a reliable technical, economic and environmental background**



# Services offered by NCPC



- + Support for the identification of appropriate chemicals, processes and partners on the basis of provided information and UNIDO's international experience;
- + Assistance for the selection of the appropriate design of the ChL business model;
- + Support related to the identification of benchmarks;
- + Include Company's name at the Chemical Leasing Project web page (please indicate if this service is not appreciated).


# www.chemicalleasing.com

http://www.chemicalleasing.com/

## CHEMICAL LEASING

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### Chemical Leasing



The Chemical Leasing (ChL) approach is a new and innovative instrument to promote sustainable management of chemicals and close the material cycles between suppliers and users of chemicals ("closing the loops"). The United Nations Industrial Development Organisation (UNIDO) plays the leading and coordinating role for the implementation and further development of ChL.

Chemical Leasing is applicable to large companies just as to small and medium enterprises of different sectors. Experiences show that applying these new models reduces ineffective use and over-consumption of chemicals and helps companies to enhance their economic performance.

UNIDO has defined the term of *Chemical Leasing* as follows:

**UNIDO Definition of Chemical Leasing**

Chemical Leasing is a service-oriented business model that shifts the focus from increasing sales volume of chemicals towards a value-added approach.

The producer mainly sells the functions performed by the chemical and functional units are the main basis for payment.

Within Chemical Leasing business models the responsibility of the producer and service provider is extended and may include the management of the entire life cycle.

Chemical Leasing strives for a win-win situation and aims at increasing the efficient use of chemicals while reducing the risks of chemicals and protecting human health. It improves the economic and environmental performance of participating companies and enhances their access to new markets.

Key elements of successful Chemical Leasing business models are proper benefit sharing, high quality standards and mutual trust between participating companies.

*Last Update: July 2008*

- News, Updates
- Concept of ChL
- International Activities (Pilot Countries)
- Pilot Projects
- Quality assurance
- International Working Group
- Downloads
- Frequently Asked Questions
- Events
- Links

# www.chemicalleasing.com

The screenshot shows a web browser window with the URL <http://www.chemicalleasing.com/sub/intact/srilanka.htm>. The website has a green and blue color scheme. At the top, there is a navigation bar with the text "CHEMICAL LEASING" and links for "Home", "Contact", "Imprint", and "Members Only". Below the navigation bar is a row of nine small images related to chemical processes. The main content area is divided into a left sidebar and a main section. The sidebar contains a list of menu items: "News, Updates", "Concept of ChL", "International activities (Pilot Countries)", "Pilot Projects", "Quality assurance", "International Working Group", "Downloads", "Frequently Asked Questions", "Events", and "Links". The "International activities (Pilot Countries)" section is expanded, showing a list of countries: Austria, Mexico, Egypt, Russia, Colombia, Germany, Morocco, Serbia, and Sri Lanka. Under "Sri Lanka", there is a sub-menu with items: Project team, Partners, Pilot projects, Experiences, Country specific, Download/Meetings, and Contacts. The main section features a map of Sri Lanka and the heading "International Activities (Pilot Countries) Sri Lanka". Below the map, the text "coming soon" is displayed.

http://www.chemicalleasing.com/sub/intact/srilanka.htm

Google

## CHEMICAL LEASING

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News, Updates

Concept of ChL

International activities (Pilot Countries)

- Austria
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- Sri Lanka
  - Project team
  - Partners
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Pilot Projects

Quality assurance

International Working Group

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Frequently Asked Questions

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### International Activities (Pilot Countries) Sri Lanka

coming soon

# Obligations of the Companies participating

- Provide requested information on products, production process and costs
- Participate at meetings with potential Chemical Leasing Partners
- To continue the collaboration until phase 1 is finalized



# Phase 2 of the Pilot Project

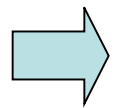
Measurement of all required parameters with respect to the future Chemical Leasing project and identification of technical optimization potential;

➔ **Way to increased competitiveness and improved position in the market becomes obvious**



# Phase 3

Full implementation of the Chemical Leasing project including a contract between the partners on the new basis of payment.



**Increased competitiveness and improved position in the market is achieved**

